ppi radically pragmatic

1200 New Hampshire Ave., NW
Suite 575 | Washington, DC 20036
Tel 202 525 3926
Fax 202 525 3941

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Marlene H. Dortch, Secretary
Federal Communications Commission
435 12th Street, SW
Washington DC 20554

Re: Notice of Proposed Rulemaking, *In the Matter of Restoring Internet Freedom*, WC Docket No. 17- 108

Dear Secretary Dortch,

The Progressive Policy Institute (PPI) has been following and dissecting the economics of innovation for more than 25 years. Our perspective spans the entire internet ecosystem, with the goal of fostering growth at both the edge and the core. PPI believes that much of the analysis and research it has published in the last several years is directly relevant to a series of questions the Federal Communications Commission (FCC) has raised in its Notice of Proposed Rulemaking (NPRM*) In the Matter of Restoring Internet Freedom*.

As PPI has repeatedly stated, we want to push for regulatory improvements and (where appropriate) reductions, particularly when it comes to industries that are innovative, growing, and generating jobs. Our goal is to create a positive environment for innovation in the U.S., which is essential for maintaining competitiveness and creating jobs.

From this perspective, the Telecommunications Act of 1996 was a piece of watershed legislation that marked the end of the telephone age and the beginning of the Internet age from a policy perspective. The Act embraced and codified the FCC's distinction between traditional telephony/telecommunications services and the emerging world of information services, with strict common carrier rules limited to the former. The 1996 Act may not have specifically contemplated the rise of the broadband Internet (the idea of an "information superhighway" was in the air, but the exact form it would take was still unclear as a matter of both technology and policy), but by protecting information services from the common carrier framework, the 1996 Act set the stage for two decades of dynamic growth.

This historical context sheds important light on current calls to impose "new" regulations on broadband by regulating it as a "telecommunications service" subject to common carrier obligations. While advocates suggest otherwise, these proposals are clearly not new, but would represent a return to the dated and failed approach that the bipartisan 1996 Act was designed to sweep away. Further, the proposals seeking to impose a Title II common carrier classification on broadband providers have been associated with low investment and innovation.

Broadband has flourished as an information service free from ill-fitting and stifling common carrier constraints. And investment and capital have flowed to where the absence of regulation has encouraged them to flow. If the U.S. is going to transform its economy into one that is pro-growth and pro-innovation, constraining future investment in broadband networks is the exact opposite path the FCC should follow.

We hope you find our research compelling and helpful to your analysis of whether to subject broadband services to a Title II regime, or a more enlightened, flexible regime under an information services approach. We encourage the FCC to reach the latter conclusion.

Sincerely,

Michael Mandel

Chief Economic Strategist

Progressive Policy Institute

Encl.

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